



# West Virginia Rural Development



75 High Street, Suite 320, Morgantown, WV 26505

SEPTEMBER 2004

## Over \$133M Invested In Rural West Virginia

Fiscal Year 2004 proved to be phenomenal for USDA Rural Development (RD) and their commitment, through funding, to the future of rural communities.

"This funding reflects the dedication that RD maintains in increasing economic opportunity and improving the quality of life for all rural West Virginians," State Director Jenny Phillips said.

Rural Development's vision is a rural West Virginia that is a healthy, safe and prosperous place to live and work.

The grants and loans awarded through USDA Rural Development in Fiscal Year 2004 included \$38,278,279 through the Rural Utilities Programs

water and sewer loans/grants to 24 entities, providing assistance to 14,495 users. There were two recipients of the \$2,032,900 Telecommunications funding for Fiscal Year 2004, two projects received Community Facilities funding and one received a Technical Assistance & Training grant.

Rural Business Programs funding (a total of \$16,219,510) is expected to create 249 jobs and save 331 jobs in rural West Virginia.

Multi-Family Housing obligated \$6,185,000 for construction of 194 units of housing; 96 of those units were for elderly housing complexes and the other 98 units were for family housing complexes. Multi-Family Housing also provided \$121,238 as a rehabilitation loan for 14 units.

Rural Housing Programs assisted 1021 families through Section 502, Section 504 and Guaranteed Single Family Housing loans and grants. Rural Housing also provided funding for four Housing Preservation Grants, three Self-Help Housing Grants and two Technical and Supervisory Assistance Grants.

### Rural Utilities Programs:

Water & Sewer	\$38,278,279
Telecommunications	\$ 2,032,900
Technical Assistance and Training	\$ 1,157,000

### Rural Business Programs:

	Guaranteed
B&I	\$14,267,000
RBOG	\$ 50,000
IRP	\$ 681,510
RBEG	\$ 1,221,000

### Multi-Family Housing Programs:

538 Guaranteed	\$ 6,185,000
Rehab. Loan	\$ 121,238

### Rural Housing Programs:

502 Loans/Grants	\$13,786,230
504 Loans/Grants	\$ 1,109,970
Guaranteed SFH	\$53,095,793
533 HPG	\$ 294,980
Self-Help Grants	\$ 397,460
Technical & Super. Assistance Grants	\$ 95,300

### Community Facilities:

Loans	\$ 90,000
Grants	\$ 208,200

**TOTAL** **\$ 133,071,860**

## Business Program Director Retires After 37 Years Service

Jerry R. Teter, Rural Business Programs Director since 1984, retired from federal government service on June 3, 2004.

Mr. Teter began his career with Rural Development (formerly known as Farmers Home Administration) as an Assistant County Supervisor in Philippi, Barbour County, WV.

He also held positions in Marlinton, Union and Ripley prior to transferring to Morgantown in 1976 as the first Guaranteed Business & Industrial Loan Specialist in the State.

Mr. Teter has been the recipient of numerous service awards during his tenure with the government, including the National USDA Superior Service Award. As a loan officer, he is unofficially the collector of the largest amount ever recovered on a delinquent guaranteed Business & Industry loan.

Jerry and his wife, Pat, own and operate a farm near Bruceton Mills, Preston County, WV.

Cheryl Wolfe has been selected as the new Rural Business Programs Director.

# Rural Housing Programs Excel in FY 2004

West Virginia Rural Development Single Family Housing Programs had another banner year in Fiscal Year 2004. Through the delivery of the programs by the county office staff, the homeowners in West Virginia utilized a total of \$67,991,993, which provided assistance to 1021 families.

The 504 Repair & Rehabilitation Loan Program in West Virginia can no longer be considered an under utilized program. Our loan fund usage was 135% of our allocation and the grant fund usage was 127% of our allocation. The pictures exemplify the repairs made under the 504 loan program by the Lewisburg, WV County Office.

For the sixth consecutive year, the Guaranteed Rural Housing (GRH) Program volume, in both dollars and numbers, has increased. In dollar usage, the GRH Program had an increase of \$4,892,341 from Fiscal Year 2003 and an increase in number of families assisted by 61 over that of last year. Not only is the program continuing to grow, the portfolio has not suffered as the delinquency remains below the National average and in the lower one-third of the states. The following County Offices saw an increase in their GRH Program in Fiscal Year 2004: Cross Lanes,

## AFTER



## BEFORE

Beckley, Lewisburg, Elkins, Mt. Clare, Parkersburg, Elkins, Ripley, Romney and Summersville.

The GRH Program in Martinsburg is experiencing a new trend with the recent influx of loans for townhouses. Being one of the most rapidly growing areas in the state, affordable housing is becoming more and more difficult to obtain. Townhouses seem to be a viable solution to this never-ending problem.

In addition to the loans and grants provided to individuals, the County, Area and State Office staffs

processed nine grants to nonprofit organizations for a total dollar amount of \$787,740. Four Housing Preservation Grants (HPG), three Self-Help Housing Grants, and two Technical & Supervisory Assistance Grants (TSA) made up the nine grants.

Rural Development in West Virginia contributed toward fulfillment of the Secretary of Agriculture's Five Star Commitment for accomplishing the President's goal on increasing home ownership. With the approval of a new Self-Help Housing recipient, Southeastern Appalachian Rural Alliance, Inc. (SARA), West Virginia now has a second Self-Help Grantee.

SARA received a \$10,000 pre-development grant early in 2004 and a \$239,760 grant for construction of 12 homes through the Self-Help program. The Executive Director, Susan Rosshirt, encountered one of the problems faced by other rapid growing communities in WV in finding affordable land. She met the challenge by securing additional funds, acquiring land and developing the infrastructure.

# Rural Business Enterprise Grants Result In Business Development/Preservation in WV

The purpose of the Rural Business Enterprise Grant (RBEG) program is to facilitate the development of small, private business enterprise and to support the creation and/or preservation of jobs in rural areas.



**PHOTO:** Helvetia Cheese Company, LLC - 2004 RBEG revolving loan fund recipient. Helvetia, Randolph Co., WV.

**PHOTO:** Blue Smoke Salsa, Inc. - WV 2004 SBA Small Business of the Year and RBEG revolving loan recipient, Ansted, Fayette Co., WV.



Increasingly, innovative West Virginians are finding ways to meet the purposes of the RBEG program and to simultaneously meet their community development goals.

Some of the projects funded this year also resulted in: historic preservation,

downtown revitalization, promotion of tourism and recreation, creation of a firewood distribution cooperative and technical support for value-added agriculture and value-added forestry businesses. Projects are already in-the-works for next year to continue these problem-solving activities.



**PHOTO:** Adaland Mansion Development, Inc. - renovation of the Adaland barn for heritage crafters, Philippi, Barbour Co., WV.

## \$7.6 M FLOWS INTO HARDY COUNTY

The Hardy County waterline extension project is the largest federal appropriation received by USDA Rural Development in West Virginia for waterline extensions in Fiscal Year 2004.

The Rural Utilities Programs has awarded the Hardy County Public Service District a grant of \$2,000,000 and a loan of \$5,600,000.

These funds will aid in the construction of a new water distribution system for the Baker/Mathias area and waterline extensions for the Marvin Chapel and South Fork areas of the county; therefore, providing potable sources of water for their customers. An additional

\$2,600,000 in grant money is anticipated for this project as soon as the funds are available.

Approximately 560 Hardy County rural residents, businesses, and schools will benefit from the monumental loan and grant obtained from the efforts of the Rural Utilities Programs.

Health and safety are key issues of this project due to the fact that the proposed new customers currently do not have reliable sources of water.

It is also projected that the proposed waterline extensions, as well as future extensions, will generate moderate growth within Hardy County.

In Fiscal Year 2004, the Rural Business Programs obligated ten Rural Business Enterprise Grants for a total of \$1,221,000, which was 203% of West Virginia's initial allocation. 111 jobs are expected to be created and 59 saved through these ten Rural Business Enterprise Grants.

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